

EXHIBIT 21

1
2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK

4 - - - - -x

5 SERGEY LEONTIEV,

6 Plaintiff,

Case No. 16-cv-3595

7 -against-

8 ALEXANDER VARSHAVSKY,

9 Defendant.

10 - - - - -x

11 January 17, 2017

12 7:10 a.m.

13
14
15 Videoconference deposition
16 of IRINA MONAKHOVA, taken by Plaintiff,
17 pursuant to Notice, held at the offices of
18 Gibson, Dunn & Crutcher LLP, 200 Park
19 Avenue, New York, New York, before
20 Sharon Lengel, a Registered Professional
21 Reporter, Certified Realtime Reporter, and
22 Notary Public of the State of New York.

23
24 * * *
25

A P P E A R A N C E S:

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(Appearing via videoconference)

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BY: SEAN HECKER, ESQ.

NICHOLAS C. TOMPKINS, ESQ.

-and-

JANE SHVETS, ESQ.

(Appearing via videoconference)

ALSO PRESENT:

ANNA MAZUROVA, Interpreter

* * *

1 MONAKHOVA

2 your counsel posited?

3 A. Yes. I gave them access. That
4 was a whole process. People came, and I
5 gave them access to all files, including
6 the Ambika files, where I kept all the
7 information on the subject. I don't know
8 what exactly they retrieved, but they
9 certainly had access to my computer.

10 THE INTERPRETER: May the
11 interpreter instruct the witness to
12 make breaks after parts of statements.

13 MR. KING: It's fine with me.
14 You'll have to tell her.

15 THE WITNESS: I didn't hear you
16 well, but I have a question too. I
17 wasn't sure whether you translated as
18 "I gave the reply" or "I gave access."

19 MR. KING: Okay.

20 BY MR. KING:

21 Q. Could you tell us what your
22 current employment position is.

23 A. At present, I am general
24 director of managing company.

25 Q. And what's the name of the

1 MONAKHOVA

2 managing company?

3 A. Akita.

4 Q. How long have you been the
5 general director of Akita?

6 A. Since end of 2015.

7 Q. And prior to that time, what was
8 your position?

9 A. Prior to that, I was general
10 director of such companies as Aviron
11 Plaza, Olymp, ERK Invest, and CFO of --
12 let me put it like this -- our
13 corporation.

14 Q. Did you have the position of
15 financial director of Aviron Automobile
16 Group?

17 A. Yes.

18 Q. When Akita was formed and you
19 became general director of that company,
20 did your role change with respect to your
21 management responsibilities?

22 A. Yes.

23 Q. How did your role change?

24 A. I assumed -- I assumed
25 responsibility for administrative

1 MONAKHOVA

2 director of Avilon, who did you report to?

3 A. The shareholders.

4 Q. And who are the shareholders
5 that you're referring to?

6 A. Alexander Varshavsky and Kamo
7 Avagumyan.

8 Q. When you were financial director
9 of Avilon, did you sometimes manage
10 Mr. Varshavsky's personal finances?

11 MR. HECKER: Objection to form.
12 Vague. You can answer.

13 A. Could you specify what you mean
14 exactly when you refer to Mr. Varshavsky's
15 personal finances?

16 Q. Did you ever arrange loans to
17 Mr. Varshavsky individually?

18 A. No.

19 Q. Did you ever manage
20 Mr. Varshavsky's bank accounts that were
21 maintained in his individual name?

22 A. No.

23 Q. How long did you work for
24 Avilon?

25 A. I started working for Avilon in

1 MONAKHOVA

2 Q. So you held the same position
3 from 2004 through 2015 at Aviron; is that
4 correct?

5 A. No.

6 Q. Okay. Tell me what positions
7 you held during your time at Aviron.

8 A. I remained Aviron financial
9 director up until 2008. As of 2008, I
10 became financial director of Aviron, the
11 group of companies called Auto Logistics,
12 and the group of companies called ERK.
13 Auto Logistics or, in Russian,
14 Avtologistica.

15 In 2010, in addition to my
16 previous duties, I acquired the duties of
17 general director in relation to all the
18 companies that I listed. And I still have
19 the duties of general director, as we
20 speak. In 2015, I received the duties of
21 the general director of the managing
22 company.

23 Q. Okay. Have you ever met or
24 spoken with Sergey Leontiev?

25 A. Yes.

1 MONAKHOVA

2 Q. How many times?

3 A. Once.

4 Q. When was that?

5 A. That was in mid-August 2015.

6 Q. Prior to that time, had you ever
7 spoken to him?

8 A. No.

9 Q. Were you involved in Aviron
10 making a loan to Ambika in December of
11 2008?

12 A. Yes.

13 Q. What was your involvement?

14 A. I controlled the deal.

15 Q. What does that mean, you
16 controlled the deal?

17 A. I controlled it to the effect of
18 making sure it goes through, making sure
19 that everything goes right.

20 Q. How did -- how did it come to be
21 that Aviron made a loan to Ambika in 2008?

22 A. In 2008, Alexander Varshavsky
23 charged me with placing money on the terms
24 previously discussed with Mr. Zheleznyak,
25 and that was the way it was arranged. And

1 MONAKHOVA

2 my task was to execute all of it.

3 Q. At the time, Aviron was known as
4 New York Motors Moscow; is that correct?

5 A. Correct.

6 Q. So you learned about this
7 transaction from Mr. Varshavsky; correct?

8 A. What I learned from
9 Mr. Varshavsky is that it was necessary to
10 place the money.

11 Q. Why was -- did he tell you why
12 it was necessary to place the money?

13 MR. HECKER: Objection to form.
14 Foundation.

15 A. No.

16 Q. Did he tell you how much money
17 was going to be placed?

18 A. Yes.

19 Q. What did he tell you?

20 A. He said that the amount of
21 19.900 was to be placed.

22 Q. \$19.9 million?

23 A. Yes.

24 Q. And he told you he had agreed
25 upon terms with Mr. Zheleznyak?

1 MONAKHOVA

2 A. Yes.

3 Q. What did he tell you the terms
4 were going to be?

5 A. He gave me the interest rate.

6 Q. Do you recall what the interest
7 rate was?

8 A. No.

9 Q. Do you recall anything else he
10 told you about the terms?

11 A. No.

12 Q. Do you believe he told you
13 anything else about the terms?

14 MR. HECKER: Objection to form.
15 Foundation.

16 A. I don't quite recall, and I'm
17 not sure I understand what you are talking
18 about. What is it specifically that
19 interests you?

20 Q. Did Mr. Varshavsky tell you
21 anything else about the terms of the
22 placement?

23 A. I don't think so. I don't think
24 so.

25 Q. Did Mr. Varshavsky mention

1 MONAKHOVA

2 Ambika as the counterparty?

3 A. No.

4 Q. How did you come to learn that
5 the money would be loaned to Ambika?

6 A. Because that company was
7 suggested by Zheleznyak's representatives.

8 Q. Okay. Explain that to me.
9 What do you mean that was
10 suggested by Mr. Zheleznyak's
11 representatives?

12 A. Well, I don't know English. To
13 that extent, it was not suggested. It was
14 given. It was given.

15 Q. Okay. Let's go back a second.

16 After Mr. Varshavsky told you it
17 was necessary to place money, what did you
18 do with respect to this transaction?

19 A. I got in touch with
20 Mr. Zheleznyak's contact person and
21 discussed the structure of the transaction
22 and who will be involved on our part.
23 Then people on my side started working
24 together with people on their side to
25 structure the transaction.

1 MONAKHOVA

2 Q. Who was it that Mr. Zheleznyak
3 put you in touch with as his contact
4 person?

5 MR. HECKER: Objection to form.
6 Foundation.

7 MS. SHVETS: Just -- I think the
8 translation was a bit off. You asked
9 to whom -- with whom Zheleznyak put
10 her in touch with.

11 MR. KING: Let me ask it again.

12 THE INTERPRETER: The
13 interpreter stands corrected.

14 MR. KING: Let me ask it again,
15 and we'll clean it up.

16 Q. Who was the contact person that
17 you got in touch with?

18 A. Yana Krisjuk.

19 Q. And you and she discussed the
20 structure of the transaction?

21 A. Me and her discussed -- let me
22 put it like this -- the general picture of
23 the transaction, how it will take place,
24 and who will be involved on each side.

25 Q. What was the general picture of

1 MONAKHOVA

2 the transaction that you discussed with
3 her?

4 A. Yana gave me the name of the
5 company for who the money would be placed.
6 We discussed the interest rate, and she
7 confirmed the interest rate at which the
8 money would be placed. She had received
9 the interest rates from Zheleznyak, and I
10 had received mine from Varshavsky, and we
11 made sure that the amount was the same.
12 She gave me the contacts -- the contact
13 name for her lawyers, and I gave her mine,
14 those that were already preparing the
15 agreements.

16 Q. Who did she tell you would be
17 the lawyers and contacts involved on their
18 side?

19 A. I don't recall.

20 Q. And who did you give as the
21 contact people on your side?

22 A. I don't quite recall, but
23 probably the name of the head of the law
24 department at the time.

25 Q. And do you recall who that was?

1 MONAKHOVA

2 Q. Did you ask anyone at Aviron to
3 perform any diligence on Ambika?

4 A. No.

5 Q. What was your understanding of
6 what Ambika would do with the money?

7 A. I had no understanding
8 whatsoever of what Ambika would do with
9 the money.

10 Q. Where did Aviron get the money
11 that it loaned to Ambika?

12 MR. HECKER: Objection to form.
13 Vague.

14 A. The money came to our account
15 from New York Motors Corporation.

16 Q. What was New York Motors
17 Corporation?

18 A. This is one of the shareholder
19 companies, one of our shareholders.

20 Q. And how was it decided that the
21 money would come to Aviron from New York
22 Motors Corporation?

23 A. I know nothing about it.

24 Q. Have you ever heard the phrase
25 "technical loan"?

1 MONAKHOVA

2 term of the loan approached its
3 termination each year, Aviron decided to
4 extend the loan by an additional year?

5 MR. HECKER: Objection to the
6 form. You can answer.

7 A. I recall Aviron annually
8 renewing this placement, these loans.

9 Q. And who at Aviron was involved
10 in deciding to renew the placement?

11 A. The shareholders.

12 Q. Did you -- were you involved
13 each year in deciding to renew the
14 placement?

15 A. No.

16 Q. You signed each of these
17 agreements; correct?

18 A. Yes.

19 Q. Did you discuss whether the
20 loans should be renewed with anyone at
21 Aviron each year?

22 A. No.

23 Q. When you said that the
24 shareholders were involved in deciding to
25 renew the placement, how did you know

1 MONAKHOVA

2 that?

3 A. Because there could be no
4 agreement renewal without the shareholders
5 making this decision. That was simply
6 impossible.

7 Q. And who was involved in
8 documenting the renewals?

9 A. The working group, that included
10 lawyers and finance people.

11 Q. Do you recall in specific who
12 that was?

13 A. No.

14 MR. KING: This is a good time
15 for a break.

16 (Recess)

17 BY MR. KING:

18 Q. Ms. Monakhova, am I correct that
19 the interest rate on the loan that was
20 originally made in 2008 changed from time
21 to time?

22 A. Yes.

23 Q. And who was involved in any
24 negotiations concerning the changes to the
25 interest rate?

1 MONAKHOVA

2 A. The interest rate was always
3 agreed upon by the shareholders on one
4 side and Zheleznyak and Leontiev on the
5 other.

6 Q. Okay. And who do you mean when
7 you say "the shareholders"?

8 A. Varshavsky and Avagumyan.

9 Q. So is it your understanding that
10 both Mr. Varshavsky and Mr. Avagumyan had
11 discussions with Mr. Zheleznyak and
12 Mr. Leontiev when interest rates were
13 changing?

14 A. I don't know in what form the
15 agreement was reached, whether it was done
16 by correspondence, whether everyone
17 participated in it. But there was always
18 an agreement between our shareholders and
19 Zheleznyak and Leontiev.

20 Q. Okay. And how do you know that?

21 A. The fact that all decisions of
22 this level -- the shareholder level
23 decisions are always agreed upon by our
24 shareholders is something I know from my
25 everyday practice.

1 MONAKHOVA

2 Q. Am I correct that you recall no
3 discussions about whether there should be
4 a bank guarantee in connection with the
5 2008 loan from Avilon to Ambika or any of
6 its extensions?

7 A. I don't recall.

8 Q. Do you recall whether Avilon
9 requested any guarantees from Mr. Leontiev
10 concerning repayment of the loan made in
11 2008?

12 MR. HECKER: Objection. Vague
13 as to time. You can answer.

14 A. Can you please specify the
15 question, what period of time is at issue?

16 Q. At the time that Avilon entered
17 into the 2008 loan with Ambika, did it
18 request any guarantee of repayment from
19 Mr. Leontiev?

20 A. I don't recall.

21 Q. Who within the law department or
22 the finance department of Avilon was
23 responsible for determining what
24 guarantees would be requested?

25 MR. HECKER: Objection to form.

1 MONAKHOVA

2 You can answer.

3 A. The structure of the agreement
4 of the loan, of the set of documents, was
5 determined by the working group. Members
6 of the working group were designated -- as
7 for the finance people, those were
8 designated by the chief accountant. As
9 for the lawyers, they were designated by
10 the head of the law department.

11 Q. Okay. And who was the chief
12 accountant?

13 A. Yulia Semenova.

14 Q. Do you recall anyone who was
15 part of the working group by name?

16 A. No, I don't.

17 Q. Okay.

18 MR. KING: Let's put in front of
19 the witness what's behind Tab 7A.
20 That's a document previously marked as
21 Plaintiff's Exhibit 8.

22 Q. Do you recognize the first page
23 of Exhibit 8 as a loan agreement between
24 European Realty Corp and New York Motors
25 Moscow?

1 MONAKHOVA

2 A. I see a copy of the document
3 which is called the loan agreement of
4 December 17, 2008, between the European
5 Realty Corp and New York Motors Moscow,
6 and I recognize my signature.

7 Q. Does seeing this document
8 refresh your recollection that the money
9 that Avilon loaned to Ambika came from
10 European Realty Corp and not from New York
11 Motors Corp?

12 A. It is possible.

13 Q. Who negotiated the terms of this
14 loan agreement?

15 A. The instructions came to me from
16 the shareholders.

17 Q. Okay. What do you mean by "the
18 shareholders"?

19 A. I mean Alexander Varshavsky and
20 Kamo Avagumyan.

21 Q. And what did Mr. Varshavsky and
22 Mr. Avagumyan say about the agreement with
23 European Realty Corp?

24 A. I don't recall exactly.

25 Q. Do you recall generally?

1 MONAKHOVA

2 her recollection as to whether those
3 things happened.

4 A. No, I don't recall.

5 Q. Do you recall any discussion
6 with anyone at Avilon about whether
7 Avilon's claims against Ambika should be
8 assigned to European Realty?

9 A. No, I don't recall.

10 Q. What is European Realty Corp?

11 A. One of our shareholders.

12 Q. And who owns European Realty
13 Corp?

14 A. Alexander Varshavsky and Igor
15 Bakonenko.

16 Q. Do you recall any discussion
17 with Mr. Varshavsky about assigning
18 Avilon's rights under the loan agreement
19 with Ambika to European Realty?

20 A. No, I do not.

21 Q. What's the current status of the
22 loan between European Realty and Avilon?

23 A. Avilon owes 900 -- or, rather,
24 \$19.9 million to European Realty
25 Corporation.

1 MONAKHOVA

2 Q. What do you recall about that
3 additional loan?

4 A. I recall that the amount was
5 more than 6 million.

6 Q. And how did you learn about this
7 additional -- that this additional loan
8 would be made?

9 A. I received instructions from the
10 shareholders.

11 Q. Which of your shareholders did
12 you receive instructions from?

13 A. Either Alexander Varshavsky or
14 Kamo Avagumyan. I don't remember exactly.

15 Q. Do you remember what you were
16 told about the loan?

17 A. That we must place it similarly
18 to the 19.9.

19 Q. And did you do anything to
20 implement the transaction?

21 A. Yes.

22 Q. What did you do?

23 A. I gave instructions to my
24 employees to place the money similar to
25 the way that 19.9 was placed.

1 MONAKHOVA

2 Q. When you say "similar to the way
3 the 19.9 was placed," do you mean that
4 your instructions were to make the loan to
5 Ambika?

6 MR. HECKER: Objection to form.
7 You can answer.

8 A. No.

9 Q. Was the loan made to Ambika?

10 A. Possibly.

11 MR. KING: Let's show the
12 witness Tab 3, which is previously
13 marked as Plaintiff's Exhibit 12.

14 Q. Let me know if you recognize the
15 first three pages of Exhibit 12 as a loan
16 agreement entered into between Avilon and
17 Ambika in September of 2011.

18 A. I see that this is an agreement.
19 The copy of the document says it was made
20 on September 1, 2011, between Avilon and
21 Ambika, and, yes, I recognize my
22 signature.

23 Q. At the time you entered into
24 this loan agreement, did you know anything
25 more about Ambika than you knew in 2008?

1 MONAKHOVA

2 A. No.

3 Q. Did you do any additional
4 research into Ambika prior to entering the
5 2011 loan agreement?

6 A. No.

7 Q. Did you review Ambika's
8 financial statements before entering into
9 the loan agreement in 2011?

10 A. No.

11 Q. Did you ask any members of your
12 staff to do any research or any diligence
13 into Ambika prior to entering the 2011
14 loan agreement?

15 A. No.

16 Q. Who agreed to the interest rate
17 that was to be paid in connection with the
18 loan agreement in 2011?

19 A. The shareholders.

20 Q. Do you recall which of your
21 shareholders agreed to it?

22 A. No.

23 Q. Do you recall any role that
24 Probusinessbank had with respect to the
25 2011 loan agreement?

1 MONAKHOVA

2 A. Same as with the preceding loan
3 of 19.9. Probusinessbank played no role
4 for this transaction.

5 Q. Did Probusinessbank issue bank
6 guarantees in connection with this
7 transaction?

8 A. I don't recall.

9 Q. Did you request any guarantees
10 of the loan repayment at the time the 2011
11 loan was entered into?

12 A. I did not request any guarantees
13 of the loan repayment.

14 Q. Do you know if anyone on your
15 staff requested any bank guarantees of the
16 loan repayment?

17 A. I don't know.

18 MR. KING: We're going to mark
19 another document. This one is Tab 23,
20 Vladimir.

21 (Plaintiff's Exhibit 125, An
22 email, Bates SL0033741, was hereby
23 marked for identification, as of this
24 date.)

25 Q. Exhibit 125 is a three-page

1 MONAKHOVA

2 guarantee from anyone else at the time the
3 2011 loan was entered into or any of its
4 additional agreements were entered into?

5 MR. HECKER: Objection to form.

6 A. I don't recall.

7 Q. Okay.

8 MR. KING: We'll take a short
9 break.

10 MR. HECKER: As long as we have
11 you on the video, it's, like, a little
12 after 7:00 there. You should tell us
13 if you're hungry and you want to take
14 a break long enough to eat something
15 before we reconvene. It's up to you.

16 MS. SHVETS: We're fine.

17 MR. HECKER: Okay.

18 MR. KING: All right. Take a
19 short break, then.

20 (Recess)

21 BY MR. KING:

22 Q. With respect to the
23 6.625 million loan in 2011, do you know
24 where Avilon got the money that it then
25 loaned to Ambika?

1 MONAKHOVA

2 A. The money came from TO Jets
3 company.

4 Q. Just a second.

5 (Pause)

6 Q. Why -- let me ask that again.
7 Did Aylon borrow money from TO
8 Jets?

9 A. Yes.

10 Q. Why did Aylon borrow money from
11 TO Jets?

12 A. I don't know.

13 Q. How did you find out that Aylon
14 was going to borrow money from TO Jets?

15 A. I don't recall.

16 Q. Does Mr. Varshavsky have any
17 ownership interest in TO Jets?

18 A. No.

19 Q. Who decided that Aylon was
20 going to borrow money from TO Jets?

21 A. I don't know.

22 Q. Do you recall any discussions
23 with anyone at Aylon about the fact that
24 it was going to be borrowing money from TO
25 Jets?

1 MONAKHOVA

2 Foundation.

3 A. I don't recall.

4 Q. What's the current status of the
5 loan from TO Jets to Aviron?

6 A. It is still open. We still owe
7 the money.

8 Q. During the period of time when
9 Aviron was receiving interest payments
10 from Ambika, was Aviron passing on those
11 interest payments to TO Jets?

12 A. I don't recall.

13 Q. Do you ever recall being advised
14 or asked -- sorry. Let me start that
15 again.

16 Do you ever recall being asked
17 why Aviron was making interest payments to
18 European Realty Corporation that were owed
19 to TO Jets?

20 A. I don't recall.

21 MR. KING: Let's show the
22 witness Tab 25. It's a document that
23 was previously marked as Exhibit 31.

24 Q. So Exhibit 31 is a two-page
25 Russian email chain, Bates Nos. AVPE3360

1 MONAKHOVA

2 should I put it -- this -- Aylon
3 corporation, it had nothing to do with it,
4 but there were companies, structures,
5 businesses, but it was not related. It
6 had nothing to do with it.

7 Q. Who owned --

8 A. The corporation.

9 Q. Who owned Sanbay?

10 A. Karen Avagumyan.

11 Q. And who is Karen Avagumyan?

12 A. The brother of one of our
13 shareholders.

14 Q. And do you have any
15 understanding of why certain interest that
16 was payable to TO Jets was going to be
17 paid to this company instead?

18 A. I don't know.

19 Q. Did you ever manage any
20 financial transactions on behalf of
21 Sanbay?

22 MR. HECKER: Objection to form.
23 You can answer.

24 A. Some transactions that went
25 through Sanbay were implemented under my

1 MONAKHOVA

2 control.

3 Q. What kind of transactions went
4 through Sanbay that were implemented under
5 your control?

6 A. I cannot tell exactly. Ask me a
7 specific question. Otherwise, I don't
8 recall.

9 Q. Do you remember any transaction
10 that went through Sanbay that was
11 implemented under your control?

12 A. I don't recall.

13 Q. Did you ever arrange for a loan
14 to be made to Sanbay by Probusinessbank or
15 a company controlled by Probusinessbank?

16 A. I don't recall.

17 MR. KING: Let's show the
18 witness another document, Tab 5B,
19 previously marked as exhibit --
20 Plaintiff's Exhibit 28.

21 MR. KHRENOV: I'm actually
22 missing 5B, Marshall.

23 MR. KING: That's okay. We'll
24 move on.

25 MR. KHRENOV: I'm sorry. I just

1 MONAKHOVA

2 the answer. Popov said that the guarantee
3 was -- such as it were, was at Yana's
4 place. Whether they were there or they
5 weren't there, no one ever did anything.
6 No one ever found anything. I don't know
7 whether there was an effort to really do
8 something about it or simply to imitate an
9 activity. This is still unknown as of
10 today. It is still unknown today whether
11 these guarantees existed, these documents.
12 No one knows.

13 Q. This morning, or this afternoon
14 your time, you mentioned that you had been
15 in one meeting with Mr. Leontiev in
16 August 2015.

17 Do you recall that testimony?

18 A. Yes.

19 Q. What do you recall about that
20 meeting?

21 A. I recall that that was a meeting
22 between me, Varshavsky, Leontiev, and
23 Zheleznyak. And I recall that we asked
24 Leontiev and Zheleznyak whether the
25 revocation of Probusinessbank license

1 MONAKHOVA

2 would affect the repayment of debt on
3 other companies. Leontiev and Zheleznyak
4 confirmed that the total amount owed was
5 100 million USD, without interest, and
6 that they would repay the debt, and the
7 license revocation would not affect it.
8 The only thing, according to them, that we
9 needed to discuss was the structure of the
10 transaction for debt repayment.

11 Q. Why was it that you were asking
12 whether the revocation of
13 Probusinessbank's license would affect the
14 repayment of the debt on other companies?

15 A. We did not ask that specific
16 question, at least I do not recall asking
17 the question. I do not recall us asking
18 the question. I know for sure that what
19 we discussed was repayment of the money by
20 Ambika.

21 Q. Okay. So --

22 A. Okay. From Ambika. The total
23 amount of the debt, \$1 million, included,
24 among other things, Ambika's debt.

25 MR. HECKER: 100 million?

1 MONAKHOVA

2 discussed the debt and the amount of
3 \$100 million. That amount included
4 Ambika's debt. A part of that amount was
5 Ambika's debt.

6 Q. Did you also discuss whether
7 there was debt owed to anyone other than
8 Avilon?

9 A. Let me repeat once again.
10 We discussed the amount of 100
11 million. Only approximately 40 million of
12 that amount was Ambika's debt.
13 Correspondingly, the remaining money --
14 correspondingly, the remaining amount was
15 owed to other individuals.

16 Q. Did you discuss --

17 A. But we did not discuss who
18 exactly at that particular meeting.

19 Q. Did you discuss who exactly owed
20 the balance of the money?

21 A. At that meeting, we did not.

22 Q. Okay. How long did the meeting
23 with Mr. Zheleznyak and Mr. Leontiev last?

24 A. I don't recall. Probably about
25 an hour.

1 MONAKHOVA

2 A. \$100 million.

3 Q. Okay. Let me see if I have this
4 straight.

5 You asked Zheleznyak and
6 Leontiev whether the revocation of the
7 license would affect the repayment of the
8 debt owed to Avilon by Ambika? Is that
9 correct?

10 A. No.

11 Q. Okay. Who said that the amount
12 owed was \$100 million?

13 A. I don't remember who said it
14 first.

15 Q. Okay.

16 A. I recall that the amount
17 discussed was 100 million.

18 Q. Okay.

19 A. And it was confirmed by
20 everyone -- Varshavsky, Zheleznyak, and
21 Leontiev.

22 Q. And were you discussing debts
23 that were owed to people or entities other
24 than Avilon?

25 A. At that particular meeting, we

1 MONAKHOVA

2 Q. Okay. What else do you recall
3 about the meeting? What else was
4 discussed at the meeting?

5 A. I recall them saying that the
6 money was invested into securities and
7 that it is alive, it is safe and sound,
8 the money, and that everything will be
9 repaid; not to worry.

10 Q. Did you discuss what the
11 structure of the repayment would be?

12 A. No.

13 Q. Did you agree that you would
14 have further discussions concerning the
15 structure of the repayment?

16 A. Yes.

17 Q. And that was the first and only
18 time that you were ever part of a
19 conversation with Mr. Leontiev; correct?

20 A. Yes.

21 Q. Did Mr. Varshavsky ever
22 communicate to you any discussion -- any
23 other discussions that he had with
24 Mr. Leontiev?

25 A. No.

1 MONAKHOVA

2 removed from the amount?

3 A. No.

4 Q. Did you understand who was going
5 to be paying the 19 million?

6 A. Who was going to be paying? I
7 understand that.

8 Q. And who was going to be paying
9 the 19 million?

10 A. Leontiev. Leontiev.

11 Q. You see that Mr. Zheleznyak
12 said, "There will be a separate agreement
13 with a different person for that"?

14 Who did you understand that
15 different person --

16 A. Yes.

17 Q. Sorry.

18 A. I have no idea.

19 Q. Okay. If you look at page 4200,
20 is this you sending Mr. Zheleznyak a
21 revised schedule and amounts of repayment?

22 A. Yes.

23 Q. And the amounts set forth in
24 this schedule are less than the amounts
25 that were set forth in your original

1 MONAKHOVA

2 schedule; is that correct?

3 A. Correct.

4 Q. Was there ever an agreement
5 signed that -- in which Mr. Leontiev
6 agreed to repay these amounts on the
7 schedule?

8 A. No.

9 Q. And --

10 A. It is not known to me.

11 Q. What were the debts that went
12 into the schedule that was set forth here?

13 A. I know that that includes Ambika
14 debt minus -- minus what they had already
15 paid. And they had paid 17 million.
16 Correspondingly, it is Ambika's debt minus
17 17 million.

18 Q. And then there were some debts
19 that were not owed to Avilon; is that
20 correct?

21 MR. HECKER: Objection to the
22 form. You can answer.

23 A. Yes.

24 Q. And who were those debts owed
25 to?

1 MONAKHOVA

2 included the money given by him.

3 Q. Did you ever come to understand
4 what kind of documentation Mr. Avagumyan
5 had concerning that obligation?

6 A. No.

7 Q. Did you ever see promissory
8 notes issued in the name of any of the
9 Avagumyans?

10 A. No.

11 Q. Did you have an understanding of
12 whether the obligation was owed to
13 Mr. Avagumyan by Ambika?

14 A. My understanding was that it was
15 Zheleznyak and Leontiev who owed money to
16 Avagumyan. I had no understanding through
17 which of his entities the money was owed
18 to him. Their entities.

19 Q. Have you ever heard the name
20 Diana Karapetyan?

21 A. No.

22 MR. KING: Vladimir, could you
23 show the witness Tab 56. It's a
24 document that was previously marked
25 Exhibit 108.

CERTIFICATION

I, SHARON LENGEL, a Notary Public for
and within the State of New York, do
hereby certify:

That the witness whose testimony as
herein set forth, was duly sworn by me;
and that the within transcript is a true
record of the testimony given by said
witness.

I further certify that I am not
related to any of the parties to this
action by blood or marriage, and that I am
in no way interested in the outcome of
this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 24th day of January,
2017.



SHARON LENGEL, RPR, CRR

* * *